



STATE OF WASHINGTON
Capital Projects Advisory Review Board

Local Government Public Works Contracting Study– Update

September 24, 2020



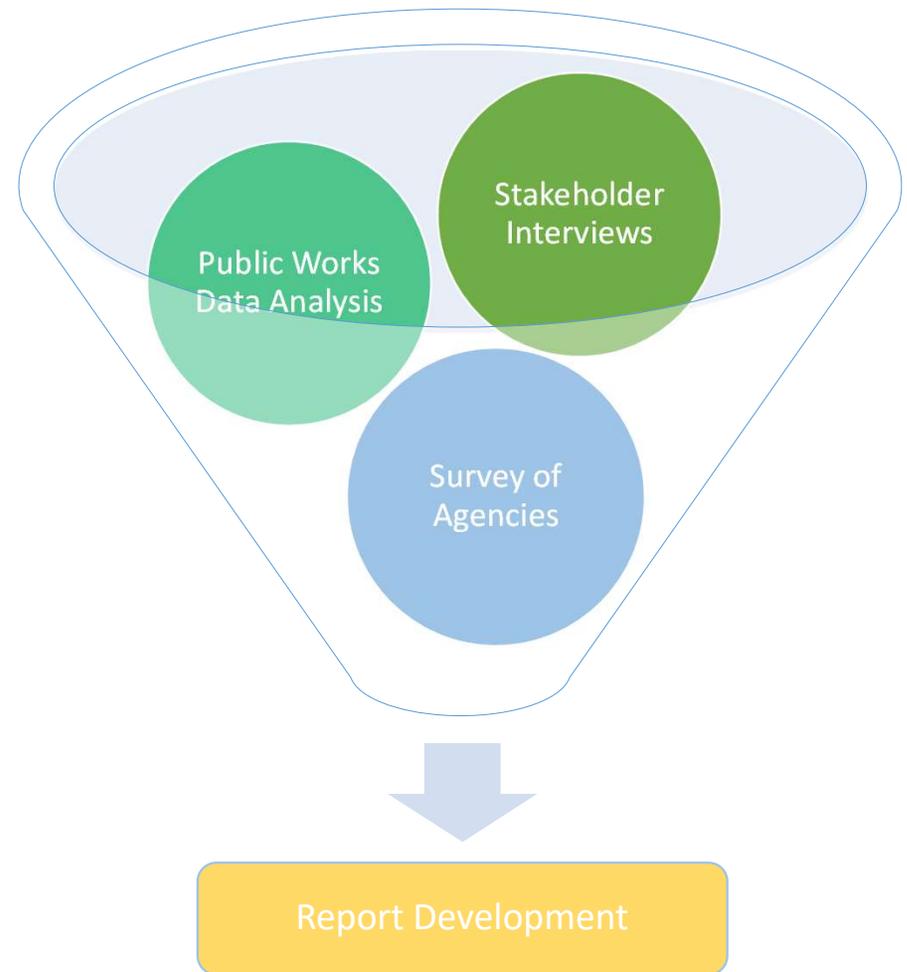
Public Works Study Purpose



- To review the public works contracting processes for local governments, including the small works roster and limited public works processes, and create recommendations for efficiency to be presented to the CPARB Board.
- This review will include the following:
 - Most common contracting procedures
 - Current public works contracting thresholds
 - Analysis of applying an inflation-based indicator and other potential threshold adjustments
 - Recommendations to increase uniformity and efficiency for local government public works contracting
 - Rates of participation for small and minority-and-women owned businesses and barriers to improving the participation rate

Process

- Initial Stakeholder Interviews
 - 40 interviews
 - Representing over 35 agencies and businesses
- Survey of Agencies and Public Works Contractors
- Public Works Data Analysis
 - L&I Data on 180,000 public works contracts from FY 2013-19
 - Economic Data on construction costs and wages



Participation Ask

- **Need:** Committee to discuss important themes from the survey
- **Time commitment:** Five two-hour meetings over the period from May 2020 to September 2020

May 28th



RAISING
THRESHOLDS

June 25th



CREATING
UNIFORMITY FOR
THRESHOLDS

July 23rd



SMALL BUSINESS
INCLUSION

August 6th



MINORITY AND
WOMEN OWNED
INCLUSION

August 27th



WRAP UP

Voting Members

- **Andrew Thompson** – Granite Construction (General Contractors)
- **Chris Herman** – Washington Public Ports Association
- **Jane Wall** – Washington State Association of Counties
- **Jolene Skinner** – L&I
- **Karen Mooseker** – Mukilteo School District
- **Keith Michael** – Forma Construction (General Contractors)
- **Kristin Hall** – Snohomish PUD
- **Michael Transue** – Mechanical Contractors Association

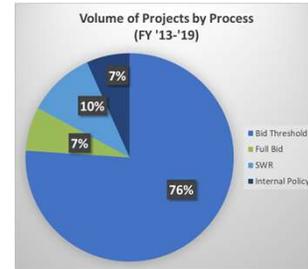


Approval Timeline

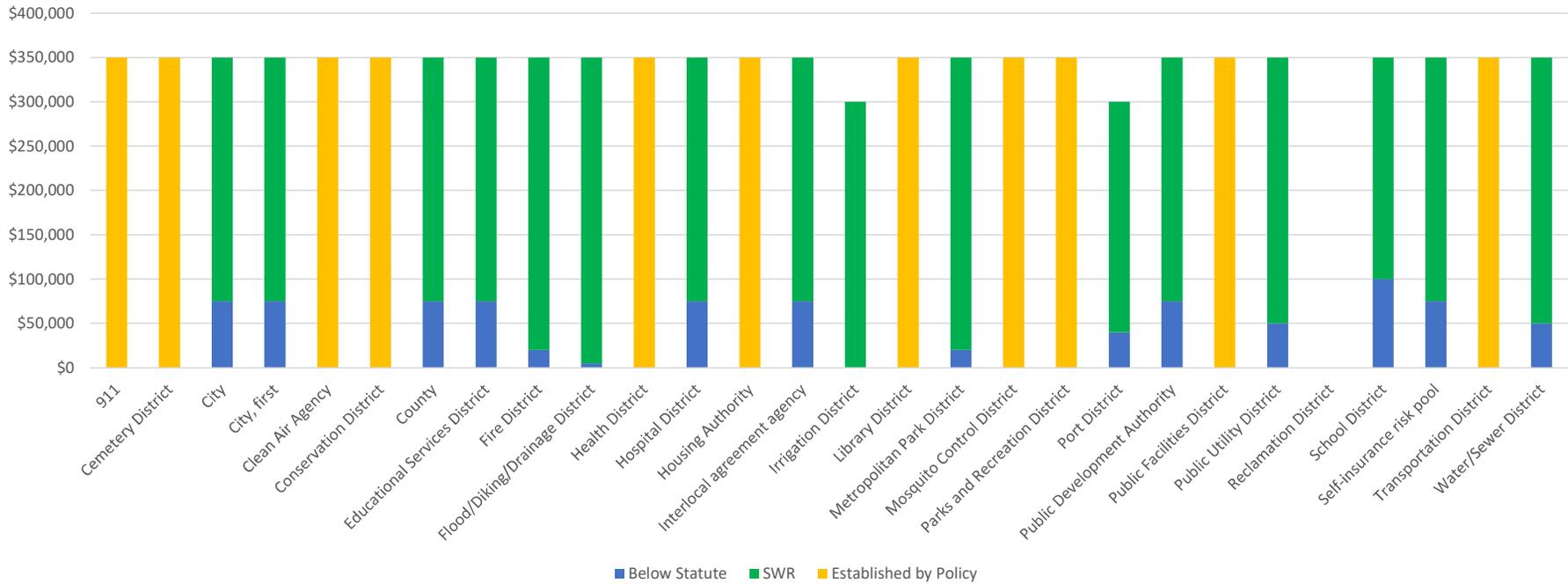
- **August 27th:** Final committee meeting
- **September 10th:** Presentation to CPARB Board
- **September 24th:** Interview Feedback webinar
- **October CPARB Board Meeting:** Approval of recommendations
- **December CPARB Board Meeting:** Final report approval

Supporting information

Current Expedited Process Structure



Expedited Process Allowance by Government Type



Defining Thresholds

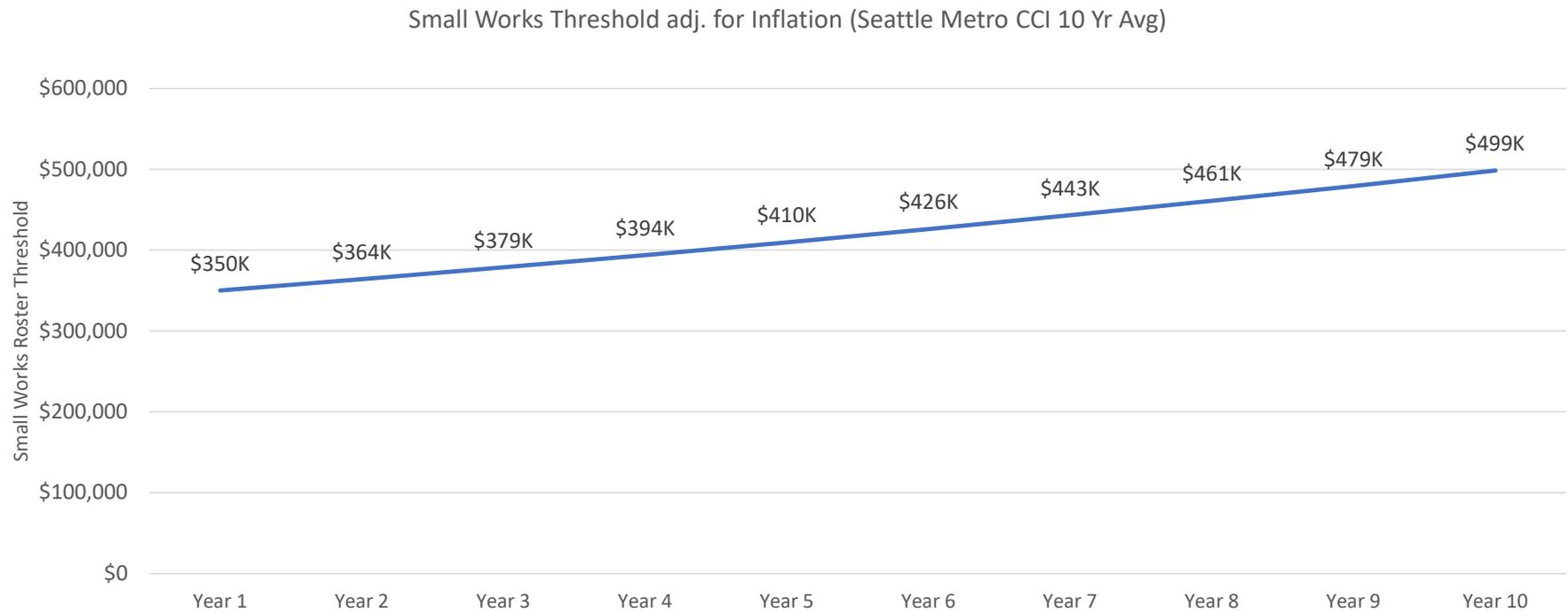
- Two primary public works thresholds
 - Bid Threshold
 - SWR
- Take a variety of forms across agency types

Government Type	Bid Threshold	Small Works Roster Threshold	Applicable RCW	Limits for Work by Agency Employees
Area Agency on Aging	Subject to state bid requirements of RCW 43.19		74.38.050	Follows state requirements of RCW 43.19
City, first class	\$75,500 (1 craft) \$150,000 (>1 craft)	\$350,000	35.22.620	Per project: \$75,500 (1 trade), \$150,000 (>1 trade). NTE 10% of public works budget.
City, second class and towns city code	\$75,500 (1 craft) \$116,155 (>1 craft)	\$350,000	35.23.352 35A.40.210	Per project: \$75,500 (1 trade), \$116,155 (>1 trade). NTE 10% of public works budget.
Conservation district	None; established by policy		89.08	No statutory limits - set by policy
County, population >400k with purchasing department	\$0	\$350,000	36.32.235	Per project: \$45,000 or \$125k for Riverine or stormwater project (1 trade), \$90,000 or \$250k for Riverine or stormwater project (>1 trade). NTE 10% of public works budget.
County, population <400,000 with purchasing department	\$0	\$350,000	36.32.240 36.32.235	Per project: \$45,000 or \$125k for Riverine or stormwater project (1 trade), \$90,000 or \$250k for Riverine or stormwater project (>1 trade). NTE 10% of public works budget.
County without purchasing department	\$40,000	\$350,000	36.32.250	Allowed for non-road projects; road project limits set according to population and motor vehicle fuel tax factor
Educational service district (ESD)	None; established by policy (unless contracting on behalf of a school district, in which case school district bid laws apply)		28A.310	Most restrictive of establishing jurisdiction; if NA then by policy
Fire district	\$20,000	\$350,000	52.14.110	Not authorized
Flood/diking/drainage district	\$5,000	\$350,000	85.38.190	\$5,000
Health district	None; established by policy		70.46	No statutory limits - set by policy
Hospital district	\$75,000	\$350,000	70.44.140	\$75,000
Housing authority	None; established by policy		35.82; AGO 2009 No. 2	No statutory limits - set by policy

Government Type	Bid Threshold	Small Works Roster Threshold	Applicable RCW	Limits for Work by Agency Employees
Interlocal agreement agency	Most restrictive of establishing jurisdiction		39.34	Most restrictive of establishing jurisdiction
Irrigation district	\$0	\$300,000	87.03.435-436	No limit; must bid materials used by employees; must follow public works bid process when materials unless provided by contractor
Library district	None; established by policy		27.12	Most restrictive of establishing jurisdiction; if NA then by policy
Mosquito control district	None; established by policy		17.28	No statutory limits - set by policy
Park and recreation district	None; established by policy		36.69	Most restrictive of establishing jurisdiction; if NA then by policy
Metropolitan parks district	\$20,000	\$350,000	35.61.135	\$20,000
Port district	\$40,000	\$300,000	53.08.120	Allowed for all projects, except when over \$40k, must make a determination whether cost is lower performed by contract
Public development authority (PDA)	Statutes of creating city or county		35.21.730	Statutes of creating city or county
Public facilities district (PFD)	None; established by policy		36.100.030 35.57.020	No statutory limits - set by policy
Public utility district (PUD)	\$50,000	\$350,000	54.04.070	\$300,000
Reclamation district (over 1 million acres)	All public works must be formally bid		89.30.154	Not authorized
Regional support network (RSN)	Statutes of creating county		71.24.300	Statutes of creating county
School district	\$100,000	\$350,000	28A.335.190	\$75,000
Self-insurance risk pool	Most restrictive of establishing jurisdiction		48.62	Most restrictive of establishing jurisdictions
State college or university	\$45,000 (1 craft) \$90,000 (>1 craft)	\$350,000	28B.10.350 28B.50.330	\$45,000 (1 craft) \$90,000 (>1 craft)
Transportation authority (under RCW 36.57 or 36.57A)	None; established by policy		36.57A	No statutory limits - set by policy
Transportation authority (under RCW 35.21.225 or 36.73)	Statutes of creating city or county		35.21.225 36.73	Most restrictive of establishing jurisdictions
Water-sewer district	\$50,000	\$350,000	57.08.050	\$50,000

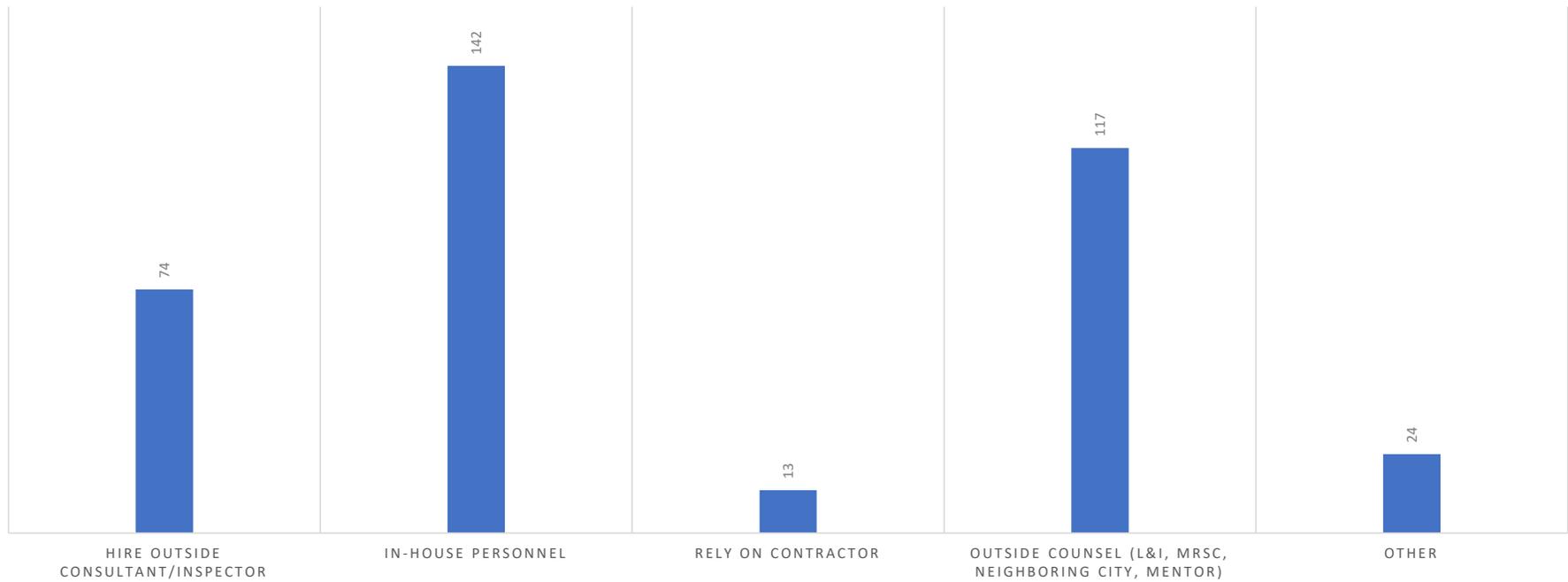
Note: "Craft" refers to professional trades. The bid threshold is thus based on the number of professional trades required to complete a project.

CCI Inflation Adjustment



Resources for ensuring bidding requirements

RESOURCES FOR ENSURING BIDDING REQUIREMENTS MET



Public Works Project Notification Source

